

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W.R. GRACE &amp; CO., <u>et al.</u>,</b>	)	<b>Case No. 01-1139 (JKF)</b>
	)	
<b>Debtors.</b>	)	<b>Objection Deadline: November 26, 2008 at 4:00 p.m.</b>
	)	<b>Hearing: December 15, 2008 at 1:00 p.m.</b>

**COVER SHEET TO TENTH QUARTERLY APPLICATION OF  
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL  
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
APRIL 1, 2008 THROUGH JUNE 30, 2008**

Name of Applicant: Orrick, Herrington & Sutcliffe LLP

Authorized to Provide Professional Services to: David T. Austern, Future Claimants' Representative (the "FCR")

Date of Retention: As of February 6, 2006 (pursuant to this Court's Order entered May 8, 2006)

Period for which compensation is sought: April 1, 2008 through June 30, 2008

Amount of Compensation (100%) sought as actual, reasonable, and necessary: \$1,060,594.00

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 96,239.02

This is an:   X   interim        monthly        final application.

**PRIOR APPLICATIONS FILED**

Orrick was retained effective February 6, 2006, pursuant to this Court's Order entered May 8, 2006. Orrick has previously filed the following quarterly fee applications:

a. First Quarterly Fee Application for the time period February 6, 2006 through March 31, 2006 in the amount of \$206,292.25 in fees and \$7,501.32 in expenses, for a total of \$213,793.57.

b. Second Quarterly Fee Application for the time period April 1, 2006 through June 30, 2006 in the amount of \$456,045.25 in fees and \$14,568.92 in expenses, for a total of \$470,614.17.

c. Third Quarterly Fee Application for the time period July 1, 2006 through September 30, 2006 in the amount of \$558,019.75 in fees and \$25,651.67 in expenses, for a total of \$583,671.42

d. Fourth Quarterly Fee Application for the time period October 1, 2006 through December 31, 2006 in the amount of \$841,070.00 in fees and \$98,378.95 in expenses, for a total of \$ 939,448.95.

e. Fifth Quarterly Fee Application for the time period January 1, 2007 through March 31, 2007 in the amount of \$1,098,668.00 in fees and \$57,670.14 in expenses, for a total of \$1,156,338.14.

f. Sixth Quarterly Fee Application for the time period April 1, 2007 through June 30, 2007 in the amount of \$1,021,931.50 in fees and \$168,071.15 in expenses for a total of \$1,190,002.65.

g. Seventh Quarterly Fee Application for the time period July 1, 2007 through September 30, 2007 in the amount of \$1,318,928.25 in fees and \$506,330.27 in expenses for a total of \$1,825,258.52.

h. Eighth Quarterly Fee Application for the time period October 1, 2007 through December 31, 2007 in the amount of \$2,577,801.25 in fees and \$276,906.50 in expenses for a total of \$2,854,707.75.

i. Ninth Quarterly Fee Application for the period January 1, 2008 through March 31, 2008 in the amount of 2,834,348.75 in fees and \$436,062.97 in expenses for a total of \$3,270,411.72.

**COMPENSATION SUMMARY**  
**APRIL 1, 2008 THROUGH JUNE 30, 2008**

<b><u>Name of Professional Person</u></b>	<b><u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u></b>	<b><u>Hourly Billing Rate</u></b>	<b><u>Total Billed Hours</u></b>	<b><u>Total Fees</u></b>
John Ansbro	Partner, 4 years in position; 13 years relevant experience; 1995, Litigation	\$690	108.20	\$70,311.00 <sup>1</sup>
Stephen G. Foresta	Partner, 11 years in position; 21 years relevant experience; 1987, Litigation	\$825	10.10	\$8,332.50
Roger Frankel	Partner, 25 years in position; 37 years relevant experience; 1971, Bankruptcy	\$875	315.90	\$265,300.00 <sup>2</sup>
Robert F. Lawrence	Partner, 10 years in position; 24 years relevant experience 1983, Environmental Law	\$715	1.80	\$1,287.00
Raymond G. Mullady, Jr.	Partner, 15 years in position; 25 years relevant experience; 1983, Litigation	\$710	83.00	\$55,735.00 <sup>3</sup>
Garret G. Rasmussen	Partner, 26 years in position; 34 years relevant experience; 1974, Litigation	\$800	56.00	\$43,920.00 <sup>4</sup>
Clayton S. Reynolds	Partner, 21 years in position; 29 years relevant experience 1979, Tax	\$800	5.20	\$4,160.00
Scott A. Stengel	Partner, 4 years in position; 12 years relevant experience; 1996, Bankruptcy	\$690	.90	\$621.00

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- 1 This amount reflects a reduction of \$4,347.00 (April 2008) representing non-working travel billed at 50%.
- 2 This amount reflects a reduction of \$5,687.50 (April 2008) and \$5,425.00 (June 2008) representing non-working travel billed at 50%.
- 3 This amount reflects a reduction of \$3,195.00 (April 2008) representing non-working travel billed at 50%.
- 4 This amount reflects a reduction of \$880.00 (April 2008) representing non-working travel billed at 50%.

<b><u>Name of Professional Person</u></b>	<b><u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u></b>	<b><u>Hourly Billing Rate</u></b>	<b><u>Total Billed Hours</u></b>	<b><u>Total Fees</u></b>
Richard H. Wyron	Partner, 19 years in position; 29 years relevant experience; 1979, Bankruptcy	\$775	183.70	\$137,950.00 <sup>5</sup>
Mary A. Wallace	Of Counsel, 6 years in position; 18 years relevant experience; 1989, Corporate	\$620	191.00	\$114,018.00 <sup>6</sup>
Christopher A. Britt	Associate, 10 months in position; 10 months relevant experience; 2007, Litigation	\$340	9.50	\$3,230.00
Charity R. Clark	Associate, 3 years in position; 3 years relevant experience; 2005, Bankruptcy	\$440	18.70	\$8,228.00
Stephanie M. Cowles	Associate, 9 months in position; 9 months relevant experience; 2008, Litigation	\$340	12.10	\$4,114.00
Joshua M. Cutler	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$500	38.50	\$17,675.00 <sup>7</sup>
Alyssa D. Englund	Associate, 7 years in position; 7 years relevant experience; 2001, Bankruptcy	\$560	5.50	\$3,080.00
Debra L. Felder	Associate, 6 years in position; 6 years relevant experience; 2002, Bankruptcy	\$530	217.30	\$112,333.50 <sup>8</sup>
Alexandra G. Freidberg	Associate, 10 months in position; 10 months relevant experience; 2007, Environmental	\$340	2.50	\$850.00
Antony P. Kim	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$500	75.00	\$37,000.00 <sup>9</sup>

5 This amount reflects a reduction of \$1,550.00 (April 2008), \$1,162.50 (May 2008), and \$1,705.00 (June 2008) representing non-working travel billed at 50%.

6 This amount reflects a reduction of \$4,402.00 (June 2008) representing non-working travel billed at 50%.

7 This amount reflects a reduction of \$1,575.00 (April 2008) representing non-working travel billed at 50%.

8 This amount reflects a reduction of \$2,835.50 (June 2008) representing non-working travel billed at 50%.

9 This amount reflects a reduction of \$500.00 (April 2008) representing non-working travel billed at 50%.

<b><u>Name of Professional Person</u></b>	<b><u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u></b>	<b><u>Hourly Billing Rate</u></b>	<b><u>Total Billed Hours</u></b>	<b><u>Total Fees</u></b>
Katherine E. Maco	Associate, 4 months in position; 4 months relevant experience; 2008, Litigation	\$340	15.00	\$5,100.00
Christopher O'Connell	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$470	49.00	\$23,030.00
John C. Pitts	Associate, 9 months in position; 9 months relevant experience; 2008, Litigation	\$340	29.80	\$10,132.00
Courtney Rogers	Associate, 2 years in position; 2 years relevant experience; 2006, Bankruptcy	\$400	29.40	\$11,760.00
Emily S. Somers	Associate, 2 years in position; 2 years relevant experience; 2006, Litigation	\$400	7.90	\$3,160.00
Katherine S. Thomas	Associate, 4 years in position; 4 years relevant experience; 2004, Bankruptcy	\$470	84.90	\$39,903.00
Annie L. Weiss	Associate, 4 years in position; 4 years relevant experience; 2004, Litigation	\$470	41.50	\$19,505.00
Catharine L. Zurbrugg	Associate, 3 years in position; 3 years relevant experience; 2005, Litigation	\$440	3.00	\$1,320.00
James Cangialosi	Legal Assistant	\$260	78.50	\$19,500.00 <sup>10</sup>
Debra O. Fullem	Bankruptcy Research Specialist	\$245	128.80	\$31,556.00
Risa L. Mulligan	Librarian	\$180	6.80	\$1,224.00
Thomas Ryan	Practice Support Project Technician	\$205	35.00	\$6,355.00 <sup>11</sup>
<b>TOTAL</b>			<b>1,844.50</b>	<b>\$1,060,594.00</b>
<b>Blended Rate: \$575.00</b>				

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10 This amount reflects a reduction of \$910.00 (April 2008) representing non-working travel billed at 50%.

11 This amount reflects a reduction of \$820.00 (April 2008) representing non-working travel billed at 50%.

**COMPENSATION BY PROJECT CATEGORY**  
**APRIL 1, 2008 THROUGH JUNE 30, 2008**

<b><u>Project Category</u></b>	<b><u>Total Hours</u></b>	<b><u>Total Fees</u></b>
Case Administration	4.20	\$788.50
Compensation of Professionals-Orrick	93.10	\$30,067.00
Compensation of Professionals-Other	35.70	\$10,075.50
Insurance	17.00	\$13,185.00
Litigation	761.50	\$424,361.50
Retention of Professionals-Orrick	1.60	\$905.50
Retention of Professionals-Others	70.80	\$37,731.00
Plan & Disclosure Statement	653.10	\$434,249.00
Travel Time (Non-Working)	108.80	\$34,994.50
Trust Distribution Procedures	98.70	\$74,236.50
<b>TOTAL</b>	<b>1,844.50</b>	<b>\$1,060,594.00</b>

**EXPENSE SUMMARY**  
**APRIL 1, 2008 THROUGH JUNE 30, 2008**

<b><u>Expense Category</u></b>	<b><u>Total</u></b>
Deposition Transcripts	\$391.25
Duplicating	\$4,810.85
Expert – Witness Fees	\$18,108.80
Litigation Support	\$654.21
Meals	\$4,176.53 <sup>12</sup>
Overtime	\$48.08
Parking	\$134.00
Postage/Express Delivery	\$3,149.15
Purchase – Asbestos-Related Book by Expert Witness for PI Estimation Trial	\$29.95
Telephone	\$142.06
Travel – Airfare/Train/Hotel	\$39,000.34 <sup>13</sup>
Travel – Mileage	\$1,233.01
Travel – Taxi	\$3,398.92
Westlaw and Lexis Research	\$15,669.55
Williams Lea Inc.	\$5,292.32
<b>TOTAL</b>	<b>\$96,239.02</b>

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- 12 The total meal charge summaries relating to Orrick's monthly interim fee applications have changed based on new guidelines issued by the Fee Auditor, retroactive to January 1, 2008, as follows: in NY and London, \$35/breakfast; \$45/lunch; \$65/dinner and in all other locations \$25/breakfast; \$35/lunch; and \$55/dinner. Orrick's monthly summary for April 2008 was prepared in accordance with the Fee Auditor's prior guidelines and reflected a reduction of \$1,403.86; based upon the Fee Auditor's new guidelines, Orrick's reduction of expenses for April 2008 should be \$978.13; the monthly summary for May 2008 did not require any reduction in meals; and the monthly summary for June 2008 was reduced in accordance with the Fee Auditor's new guidelines in the amount of \$129.04. Thus, the total reduction for meals totals \$1,107.17.
- 13 The total hotel charge summaries relating to Orrick's monthly interim fee application for April 2008 have changed based on new guidelines issued by the Fee Auditor, retroactive to January 1, 2008. Travel charges have been reduced by \$225.00 as well as a reduction of \$45.00 for a charge relating to an airfare upgrade for a total reduction of \$270.00.

Orrick's Client Charges and Disbursements Policy effective January 1, 2008, are as follows:

- a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 10¢ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.
- b. ***Long Distance Telephone and Facsimile Charges*** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.50 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.
- c. ***Messenger and Courier Service*** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.
- d. ***Overtime*** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances.



e. ***Computerized Research*** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for other internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: /S/ DEBRA L. FELDER

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*Co-Counsel to David T. Austern,  
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Dated: October 2, 2008